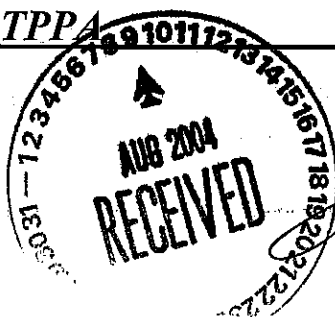


TPPA



Tuolumne Public Power Agency

2 South Green Street

Sonora, CA 95370

Phone (209) 533-5511

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August 6, 2004

Debbie Dietz, Rates Manager
Sierra Nevada Region
Western Area Power Administration
114 Parkshore Drive
Folsom, CA 95630

RE: 2005 Proposed Rates Adjustment

Dear Ms. Dietz:

TPPA would like to add one additional comment to the letter submitted to you July 22, 2004.

TPPA is concerned that the benefits of Western's Pacific Northwest-Pacific Southwest Intertie (PACI) are not being distributed to all of Western's customers. TPPA will be facing substantial increases in delivery costs beginning in January of 2005. These additional costs are diminishing the benefit the U.S. Congress intended by granting preference entities in Calaveras and Tuolumne Counties an entitlement to CVP power under the 1962 Flood Control Act. We encourage Western to seek appropriate benefits or credits from the PACI to help offset some of these costs.

We appreciate the opportunity to comment and thank you again for recognizing the special position of First Preference Customers established by Congressional mandates.

Sincerely,

Steve Boyack, Staff
Tuolumne Public Power Agency

Cc: Dominic Salluce, TPPA
Rick Coleman, TPUD
Dennis Dickman, CPPA